



COUNTY OF LOS ANGELES
Internal Services Department
1100 North Eastern Avenue
Los Angeles, California 90063



Dave Lambertson
Director

To enrich lives through effective and caring service.

Telephone: (323) 267-2101
FAX: (323) 264-7135

July 26, 2006

Agenda Date: August 8, 2006

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**REQUEST FOR APPROVAL OF
VEHICLE AND VEHICLE RELATED EQUIPMENT AUCTION SERVICES CONTRACT
(ALL DISTRICTS - 3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Mayor of the Board to sign the attached Contract with CHP Enterprises, Inc., d.b.a. Ken Porter Auctions (Ken Porter Auctions), to provide vehicle and vehicle related equipment auction services effective upon execution, for a term of three (3) years, with two (2) one-year extensions and six (6) month-to-month extensions.
2. Delegate authority to the Director of the Internal Services Department (ISD), or his designee, to exercise the extensions and execute amendments to the Contract including when the original contracting entity has merged, been purchased or otherwise changed.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The County's surplus fleet vehicles and vehicle related equipment are disposed of through the public auction process under a Contract with an auction firm and the County receives the sales revenue less applicable commissions. The current Contract expires September 5, 2006. The recommended action is to award a new Contract for surplus vehicle and vehicle related equipment auction services, which will be managed through Internal Services Department (ISD) and is available for use by all County departments.

The County has a wide range of surplus vehicle and vehicle related equipment disposal needs that vary by County department. These include, but are not limited to, the public sale of passenger cars, trucks, trailers, construction equipment, and other automotive vehicles and vehicle related equipment. Specialty type vehicles such as fire trucks and buses can also be accommodated under the Contract. By approving the recommended Contract, County departments will continue to have the opportunity to generate revenue through the timely sale of surplus vehicles and vehicle related equipment.

Implementation of Strategic Plan Goals

The award of this Contract supports the County's Strategic Plan Goals No. 1 and No. 4 for Service Excellence and Fiscal Responsibility respectively by effectively managing County resources.

FISCAL IMPACT/FINANCING

Although gross annual sales vary to the extent departments have vehicles and vehicle related equipment for disposal, based on historical information annual net sale proceeds to the County under the proposed Contract is estimated to be \$1.3 million. Net sale proceeds to the County are based on gross sales of vehicles and vehicle related equipment, less the Auctioneer's contracted commission rate. County departments receive their share of the net sale proceeds based on the vehicles and vehicle related equipment sold for their respective department.

Under the proposed Contract, the County will receive 100% of gross sales proceeds. The Contractor will recover their cost by charging the purchaser a buyer's premium of 10% of the sales price. Ken Porter will retain 95% of the buyer's premium and will rebate to the County 5% of the buyer's premium. The Contract also allows the auction firm to be reimbursed for pre-approved incidental sales preparation costs such as light bar removal, decal removal, and minor repairs that increase sales value.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed Contract will commence on approval by your Board for a term of three (3) years, with two (2) one-year extensions and six (6) month-to-month extensions. The Contract does not allow for a cost of living adjustment (COLA).

The terms and conditions of the Contract have been approved as to form by County Counsel. The Contract contains all of the Board, CAO, and County Counsel required provisions, including the County's Child Support Compliance Program, consideration of

GAIN/GROW participants, Contractor Non-responsibility and Debarment, Contractor Employee Jury Service and Safely Surrendered Baby Law.

This is not a Proposition A Contract and, therefore, not subject to the Living Wage Program (County Code Chapter 2.201). It has been determined that the services under the Contract do not impact Board Policy No. 5.030, "Low Cost Labor Resource Program", because of the specialized training needed to perform the work.

CONTRACTING PROCESS

On February 15, 2006, ISD released a Request for Proposals (RFP) for vehicle and vehicle related equipment auction services and posted the solicitation and contracting opportunity announcement on the County's "Doing Business with Us" web site (Attachment 1). Notice of the RFP was also sent by electronic mail to 10 vendors registered with the County (Attachment 2).

Four proposals were received by the March 21, 2006 submission deadline. All four proposals met the minimum requirements and were evaluated. The Evaluation Committee consisted of representatives from the Department of Public Works (DPW), the Sheriff's Department, and ISD. Based on the evaluation factors contained in the RFP, Ken Porter Auctions was determined to have the highest ranked, most responsive, and responsible proposal.

Debriefings were offered to all three of the non-selected proposers. Two proposers requested debriefings. One proposer received their scheduled debriefing and one proposer did not appear at their scheduled debriefing. There were no protests resulting from this solicitation.

A summary of the Community Business Enterprise (CBE) information provided by the recommended firm is attached (Attachment 3). The recommended Contractor was selected without regard to gender, race, creed, color, or national origin.

IMPACT ON CURRENT SERVICES

Approval of the recommendation will ensure the County can continue to dispose of surplus vehicles and vehicle related equipment through auctions and receive the revenue associated with sales.

The Honorable Board of Supervisors
July 26, 2006
Page 4

CONCLUSION

Following execution of the Contract by your Board, please return to the department two (2) executed originals of the Contract.

Respectfully submitted,



Dave Lambertson
Director

DL:KH:kl
Attachments (4)

c: Chief Administrative Officer
Executive Officer, Board of Supervisors
County Counsel

VEHICLE AND VEHICLE RELATED EQUIPMENT AUCTION SERVICES

Bid Detail Information

Bid Number : 103855KML

Bid Title : Vehicle and Equipment Auction Services RFP

Bid Type : Service

Department : Internal Services Department

Commodity : AUCTIONEERING SERVICES

Open Date : 2/15/2006

Closing Date : 3/21/2006 12:00 PM

Bid Amount : N/A

Bid Download : [Available](#)

Bid Description : The Los Angeles County Internal Services Department (ISD) is issuing this Request for Proposals (RFP) to solicit proposals for a Contract with an organization who can provide vehicle and equipment auction services. Auction services to include, but not limited to the public sale of surplus passenger cars, trucks, trailers, construction equipment and other automotive vehicles and equipment.
Contractors shall be responsible for picking up vehicles and equipment from County locations, safeguarding them until action, all advertising, auction notice production and mailing, and mailing list maintenance, auction catalog production, and auction day staffing. Auctions will be held at Contractor's place of business.

Contact Name : Karen Lee

Contact Phone# : (323) 267-2483

Contact Email : kmlee@isd.co.la.ca.us

Last Changed On : 2/15/2006 9:06:25 AM

VEHICLE AND VEHICLE RELATED EQUIPMENT AUCTION SERVICES E-MAIL NOTIFICATION LIST

Sub-Class #	Description
962-09	AUCTIONEERING SERVICES

Vendor ID	Company Name	Phone	LSBE Certified
05199501	'A' AUCTIONEER 124 N MARKETING, , INGLEWOOD, CA, 90301	(310) 680-6840	
06158901	ASA, INTERNATIONAL, LLC 22647 VENTURA BLVD., # 235, , WOODLAND HILLS, CA, 41416-1416	(818) 594-0505	
12840301	BID IT UP 11426 VENTURA BLVD., 2ND FLOOR, STUDIO CITY, CA, 43142-3142	(818) 508-7034	
05918801	C.H.P. ENTERPRISES, INCDBA KEN PORTER AUCTIONS 12580 SATICOY ST., , NORTH HOLLYWOOD, CA, 54306-4306	(818) 255-0616	
05702901	GENERAL AUCTION CO 13804 SHOEMAKER AVE., , NORWALK, CA, 04523-4523	(562) 483-0526	
10674401	PROGRESSIVE AUCTION EXCHANGELLC, T/A PAX AUCTIONS 500 MARKET ST., STE. 110, , POCOMOKE CITY, MD, 11171-1171	(410) 957-4786	
10024501	PROPERTY BUREAU.COM 3551 CAMINO MIRA COSTA, STE. C, , SAN CLEMENTE, CA, 23508-3508	(949) 234-0204	
13127901	PUBLIC MOTORS LOS ANGELES LLC 6085 W. VENICE BLVD, , LOS ANGELES, CA, 90034	(714) 972-2500 Ext:101	
05199601	THE NATIONWIDE COMPANIES 13005 E. TEMPLE AVENUE, , INDUSTRY, CA, 61418-1418	(626) 968-3110 Ext:223	
13184801	US AUCTIONS 238 N. 2ND AVE, , UPLAND, CA, 91784	(909) 982-6688	

**VEHICLE AND VEHICLE RELATED EQUIPMENT AUCTION SERVICES
FIRM/ORGANIZATION INFORMATION AS PROVIDED BY CONTRACTOR**

FIRM INFORMATION		Ken Porter Auctions
Cultural/Ethnic Composition		
OWNERS/PARTNERS	Black/African American	
	Hispanic/Latin American	
	Asian American	
	American Indian/Alaskan	
	All others	1
	Women (included above)	
MANAGER		Number
	Black/African American	
	Hispanic/Latin American	2
	Asian American	1
	American Indian/Alaskan	
	All others	6
	Women (included above)	1
STAFF	Black/African American	1
	Hispanic/Latin American	17
	Asian American	1
	American Indian/Alaskan	
	All others	34
	Women (included above)	21
TOTAL # OF EMPLOYEES		63
BUSINESS STRUCTURE		Corporation
COUNTY CERTIFICATION		
CBE		NO
LSBE		NO
CERTIFYING AGENCY		N/A



CONTRACT

BY AND BETWEEN

COUNTY OF LOS ANGELES

AND

**CHP ENTERPRISES, INC. d.b.a
KEN PORTER AUCTIONS**

FOR

**VEHICLE AND VEHICLE RELATED EQUIPMENT
AUCTION SERVICES**

**CONTRACT PROVISIONS
TABLE OF CONTENTS**

PARAGRAPH	TITLE	
RECITALS		1
1.0	APPLICABLE DOCUMENTS	2
2.0	DEFINITIONS	3
3.0	WORK	4
4.0	TERM OF CONTRACT	4
5.0	PAYMENT ARRANGEMENTS AND REIMBURSEMENT	5
6.0	ADMINISTRATION OF CONTRACT- COUNTY	6
6.1	COUNTY'S PROJECT DIRECTOR	7
6.2	COUNTY'S PROJECT MANAGER	7
6.3	DEPARTMENTAL SURPLUS VEHICLE COORDINATOR	7
7.0	ADMINISTRATION OF CONTRACT - CONTRACTOR	7
7.1	CONTRACTOR'S PROJECT MANAGER	7
7.2	APPROVAL OF CONTRACTOR'S STAFF	8
7.3	CONTRACTOR'S STAFF IDENTIFICATION	8
7.4	CONFIDENTIALITY	8
8.0	STANDARD TERMS AND CONDITIONS	
8.1	ASSIGNMENT AND DELEGATION	8
8.2	AUTHORIZATION WARRANTY	10
8.3	BUDGET REDUCTIONS	10
8.4	CHANGES AND AMENDMENTS	10
8.5	COMPLAINTS	11
8.6	COMPLIANCE WITH APPLICABLE LAW	12
8.7	COMPLIANCE WITH CIVIL RIGHTS LAWS	12
8.8	COMPLIANCE WITH THE COUNTY'S JURY SERVICE PROGRAM	13
8.9	CONFLICT OF INTEREST	15
8.10	CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFF/OR RE-EMPLOYMENT LIST	16
8.11	CONSIDERATION OF HIRING GAIN/GROW PROGRAM PARTICIPANTS	16
8.12	CONTRACTOR RESPONSIBILITY AND DEBARMENT	16
8.13	CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S	

**CONTRACT PROVISIONS
TABLE OF CONTENTS**

PARAGRAPH	TITLE	PAGE
	COMMITMENT TO THE SAFELY SURRENDERED BABY LAW	20
8.14	CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM	20
8.15	COUNTY'S QUALITY ASSURANCE PLAN	21
8.16	DAMAGE TO COUNTY FACILITIES, BUILDINGS OR GROUNDS	21
8.17	EMPLOYMENT ELIGIBILITY VERIFICATION	22
8.18	FACSIMILE REPRESENTATIONS	22
8.19	FAIR LABOR STANDARDS	23
8.20	GOVERNING LAW, JURISDICTION, AND VENUE	23
8.21	INDEPENDENT CONTRACTOR STATUS	23
8.22	INDEMNIFICATION.....	24
8.23	GENERAL INSURANCE REQUIREMENTS	24
8.24	INSURANCE COVERAGE REQUIREMENTS	27
8.25	LIQUIDATED DAMAGES	29
8.26	MOST FAVORED PUBLIC ENTITY	31
8.27	NONDISCRIMINATION AND AFFIRMATIVE ACTION	31
8.28	NON EXCLUSIVITY	33
8.29	NOTICE OF DELAYS.....	33
8.30	NOTICE OF DISPUTES	34
8.31	NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT	34
8.32	NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW.....	34
8.33	NOTICES	34
8.34	PROHIBITION AGAINST INDUCEMENT OR PERSUASION.....	35
8.35	PUBLIC RECORDS ACT	35
8.36	PUBLICITY	36
8.37	RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT.....	36
8.38	RECYCLED BOND PAPER	38
8.39	SUBCONTRACTING	38

**CONTRACT PROVISIONS
TABLE OF CONTENTS**

PARAGRAPH	TITLE	PAGE
8.40	TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM	40
8.41	TERMINATION FOR CONVENIENCE	40
8.42	TERMINATION FOR DEFAULT	41
8.43	TERMINATION FOR IMPROPER CONSIDERATION	43
8.44	TERMINATION FOR INSOLVENCY	44
8.45	TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST ORDINANCE	44
8.46	TERMINATION FOR NON-APPROPRIATION OF FUNDS	45
8.47	VALIDITY	45
8.48	WAIVER	45
8.49	WARRANTY AGAINST CONTINGENT FEES	45
SIGNATURES		47

STANDARD EXHIBITS

- A STATEMENT OF WORK
- B PRICING SCHEDULE
- C Intentionally Omitted
- D CONTRACTOR'S EEO CERTIFICATION
- E COUNTY'S ADMINISTRATION
- F CONTRACTOR'S ADMINISTRATION
- G CONTRACTOR ACKNOWLEDGMENT AND CONFIDENTIALITY AGREEMENT
- H JURY SERVICE ORDINANCE
- I SAFELY SURRENDERED BABY LAW

**CONTRACT BETWEEN
COUNTY OF LOS ANGELES
AND
CHP ENTERPRISES, Inc. d.b.a
KEN PORTER AUCTIONS
FOR
VEHICLE AND VEHICLE RELATED EQUIPMENT
AUCTION SERVICES**

This Contract is made and entered into this ____ day of _____, 2006 by and between the County of Los Angeles, hereinafter referred to as County and CHP Enterprises, Inc. d.b.a Ken Porter Auctions, a California corporation, hereinafter referred to as Contractor. CHP Enterprises d.b.a Ken Porter Auctions is located at 12580 Saticoy Street, North Hollywood, California 91605.

RECITALS

WHEREAS, the County may contract with private businesses for Vehicle and Vehicle Related Equipment Auction Services when certain requirements are met; and

WHEREAS, the Contractor is a private firm specializing in providing Vehicle and Vehicle Related Equipment Auction Services; and

WHEREAS, this Contract is therefore authorized under California Government Code Section 31000, which authorizes the Board of Supervisors to contract for special services and under California Government Code Section 25504, which authorizes the Purchasing Agent to dispose of surplus property;

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for good and valuable consideration, the parties agree to the following:

1.0 APPLICABLE DOCUMENTS

Exhibits A, B, C, D, E, F, G, H, and I are attached to and form a part of this Contract. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, goods, service, or other work, or otherwise between the base Contract and the Exhibits, or between Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to the Contract and then to the Exhibits according to the following priority.

Standard Exhibits:

- 1.1 EXHIBIT A - Statement of Work
- 1.2 EXHIBIT B - Pricing Schedule
- 1.3 EXHIBIT C - Intentionally Omitted
- 1.4 EXHIBIT D - Contractor's EEO Certification
- 1.5 EXHIBIT E - County's Administration
- 1.6 EXHIBIT F - Contractor's Administration
- 1.7 EXHIBIT G - Contractor Acknowledgement and Confidentiality
- 1.8 EXHIBIT H - Jury Service Ordinance
- 1.9 EXHIBIT I - Safely Surrendered Baby Law

This Contract and the Exhibits hereto constitute the complete and exclusive statement of understanding between the parties, and supersedes all previous Contracts, written and oral, and all communications between the parties relating to the subject matter of this Contract. No change to this Contract shall be valid unless prepared pursuant to Sub-paragraph 8.4 - Changes and Amendments and signed by both parties where required by Sub-paragraph 8.4.

2.0 DEFINITIONS

The headings herein contained are for convenience and reference only and are not intended to define the scope of any provision thereof. The following words as used herein shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used.

- 2.1 Buyer's Premium:** A fee that is added to the sale price of all items purchased at auctions and paid by the buyer.
- 2.2 Contract:** Agreement executed between County and Contractor, including all exhibits thereto. It sets forth the terms and conditions for the issuance and performance of the Statement of Work, Exhibit A.
- 2.3 Contractor:** The sole proprietor, partnership, or corporation that has entered into a contract with the County to perform or execute the work covered by the Statement of Work.
- 2.4 Contractor Project Manager:** The individual designated by the Contractor to administer the Contract operations as set forth in the Statement of Work after the Contract award.
- 2.5 County's Project Manager (CPM):** The person designated by County to perform the day-to-day responsibilities specified in Paragraph 6.2.
- 2.6 Day(s):** Calendar day(s) unless otherwise specified.
- 2.7 Department Head:** The Director of County's Internal Services Department.
- 2.8 Departmental Surplus Vehicle Coordinator (DSVC):** This shall be defined in accordance with Sub-Paragraph 6.3.
- 2.9 Fiscal Year:** The twelve (12) month period beginning July 1st and ending the following June 30th.
- 2.10 Gross Sales:** Sale price(s) collected at auction by Contractors from buyers for County vehicles and vehicle related equipment sold.
- 2.11 Incidental Services:** County approved repairs, parts, and services including, but not limited to, removal of decals, bumper stickers,

any identifiers of Los Angeles County, and paint over the area, removal of light bars, battery replacements, mechanical repairs, replacement parts associated with mechanical repairs, and other charges as pre-approved by County.

2.12 ISD: This shall refer to the Internal Services Department.

2.13 Net Sales Proceeds: Total Gross Sales less any charges for Incidental Services.

2.14 Minimum Acceptable Price: Amount determined by County Project Manager. This is the least amount County will accept for a given item(s).

3.0 WORK

3.1 Pursuant to the provisions of this Contract, the Contractor shall fully perform, complete and deliver on time, all tasks, deliverables, services and other work as set forth herein.

3.2 If the Contractor provides any tasks, deliverables, goods, services, or other work, other than as specified in this Contract, the same shall be deemed to be a gratuitous effort on the part of the Contractor, and the Contractor shall have no claim whatsoever against the County.

3.3 Contractor and its auctioneers shall comply with all licensing requirements in accordance with the California Civil Code, Section 1812.600 during the term of the Contract.

4.0 TERM OF CONTRACT

4.1 The term of this Contract shall be three (3) years commencing upon execution by County's Board of Supervisors, unless sooner terminated or extended, in whole or in part, as provided in this Contract.

4.2 The County shall have the sole option to extend the term of this Contract for up to two (2) additional one-year periods and six (6) one-month extensions, for a maximum total Contract term of five (5) years and six (6) months. Each such option and extension shall be

exercised at the sole discretion of the County's Director of ISD or designee.

- 4.3 The Contractor shall notify ISD when this Contract is within six (6) months from the expiration of the term as provided for hereinabove. Upon occurrence of this event, the Contractor shall send written notification to ISD at the address herein provided in Exhibit E - County's Administration.

5.0 PAYMENT ARRANGEMENTS AND REIMBURSEMENT

- 5.1 Commission Rate: 0%. Contractor shall not collect from or charge to County a commission rate on gross sales for vehicles and vehicle related equipment.
- 5.2 Contractor shall be entitled to collect payment for any Incidental Services pre-approved by County, per paragraph 6.5 of the SOW. Charges for Incidental Services shall be in accordance with Exhibit B, Pricing Schedule.
- 5.3 Contractor shall be allowed to charge a Buyer's Premium of ten percent (10%) on the gross sales price of vehicles and vehicle related equipment, from the successful purchaser. The Contractor shall retain ninety-five (95%) of the Buyer's Premium and rebate to County five percent (5%) of the Buyer's Premium.
- 5.4 The Contractor shall not be entitled to payment or reimbursement for any tasks or services performed, nor for any incidental or administrative expenses whatsoever incurred in or incidental to performance hereunder, except as specified herein. The Contractor shall be paid only for the tasks, goods, and services specifically authorized herein. Contractor shall not be entitled to payment for any tasks, goods, or services not expressly authorized hereunder (including without limitation items falling within Pricing Schedule (Exhibit B hereto) category 3 ("Other Costs")) unless County provides prior written approval of the provisions of such tasks, goods, or services.

5.5 Payment to County

5.5.1 Within six (6) business days of each auction, Contractor shall remit the following to County:

- Net Sales Proceeds, which is calculated as follows:
Total Gross Sales – (minus) any approved charges for Incidental Services; plus
- Buyer's Premium Rebate, which is calculated as follows:
Buyer's Premium (10% of gross sales price) x .05
- Accordingly, the total amount due to County, shall be calculated as follows:

Net Sales Proceeds + Buyer's Premium Rebate

5.5.2 Within six (6) business days of each auction, Contractor shall provide to the County the following:

- An accounting of all sales, containing the information in the Statement of Work, Sub-Paragraph 8.4.

5.6 Additional County Approved Repairs, Parts, and Services

5.6.1 Prior to each auction, Contractor shall notify CPM of any proposed repairs, parts, and additional services for vehicles or vehicle related equipment to be sold. CPM will review and approve/disapprove such repairs, parts, and additional services in writing. Contractor shall make the repairs, buy the parts, and perform the additional services approved by County prior to the auction at which the vehicle or vehicle related equipment is to be sold.

6.0 ADMINISTRATION OF CONTRACT - COUNTY

COUNTY ADMINISTRATION

A listing of all County Administration referenced in the following Sub-paragraphs are designated in Exhibit E - County's Administration. The County shall notify the Contractor in writing of any change in the names or addresses shown.

6.1 County's Project Director

Responsibilities of the County's Project Director include:

- ensuring that the objectives of this Contract are met; and
- providing direction to the Contractor in the areas relating to County policy, information requirements, and procedural requirements.

6.2 County's Project Manager (CPM)

The responsibilities of the County's Project Manager include:

- meeting with the Contractor's Project Manager on a regular basis; and
- inspecting any and all tasks, deliverables, goods, services, or other work provided by or on behalf of the Contractor.

The County's Project Manager is not authorized to make any changes in any of the terms and conditions of this Contract and is not authorized to further obligate County in any respect whatsoever.

6.3 Departmental Surplus Vehicle Coordinator (DSVC)

This individual is responsible for coordinating service requirements for his/her respective County department (Department of Public Works, Fire, or Sheriff), but may not authorize any changes to this Contract.

7.0 ADMINISTRATION OF CONTRACT - CONTRACTOR

7.1 Contractor's Project Manager

7.1.1 The Contractor's Project Manager is designated in Exhibit F - Contractor's Administration. The Contractor shall notify the County in writing of any change in the name or address of the Contractor's Project Manager.

7.1.2 The Contractor's Project Manager shall be responsible for the Contractor's day-to-day activities as related to this Contract and shall coordinate with County's Project Manager (CPM) on a regular basis.

7.1.3 Contractor's Project Manager or designated alternate shall have full authority to act for Contractor on all Contract matters relating to the daily operation of the Contract.

7.2 Approval of Contractor's Staff

County has the absolute right to approve or disapprove all of the Contractor's staff performing work hereunder and any proposed changes in the Contractor's staff, including, but not limited to, the Contractor's Project Manager.

7.3 Contractor's Staff Identification

7.3.1 The Contractor or Subcontractor staff, when entering a County facility or its grounds, shall prominently display a photo identification badge to be provided by Contractor on the upper part of the body.

7.4 Confidentiality

7.4.1 The Contractor shall maintain the confidentiality of all records obtained from the County under this Contract in accordance with all applicable federal, State or local laws, ordinances, regulations and directives relating to confidentiality.

7.4.2 The Contractor shall inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provisions of this Contract.

7.4.3 The Contractor shall sign and adhere to the provisions of the "Contractor Acknowledgement and Confidentiality Agreement", Exhibit G.

8.0 STANDARD TERMS AND CONDITIONS

8.1 ASSIGNMENT AND DELEGATION

8.1.1 The Contractor shall not assign its rights or delegate its duties under this Contract, or both, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes

of this sub-paragraph 8.1, County consent shall require a written amendment to the Contract, which is formally approved and executed by the parties. Any payments by the County to any approved delegate or assignee on any claim under this Contract shall be deductible, at County's sole discretion, against any claims which the Contractor may have against the County.

8.1.2 Shareholders, partners, members, or other equity holders of Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event that any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Contract, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Contract.

8.1.3 Any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be a material breach of the Contract which may result in the termination of this Contract. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

8.2 AUTHORIZATION WARRANTY

The Contractor represents and warrants that the person executing this Contract for the Contractor is an authorized agent who has actual authority to bind the Contractor to each and every term, condition, and obligation of this Contract and that all requirements of the Contractor have been fulfilled to provide such actual authority.

8.3 BUDGET REDUCTIONS

In the event that the County's Board of Supervisors adopts, in any fiscal year, a County Budget which provides for reductions in the salaries and benefits paid to the majority of County employees and imposes similar reductions with respect to County Contracts, the County reserves the right to reduce its payment obligation under this Contract correspondingly for that fiscal year and any subsequent fiscal year during the term of this Contract (including any extensions), and the services to be provided by the Contractor under this Contract shall also be reduced correspondingly. The County's notice to the Contractor regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such actions. Except as specifically set forth in this Sub-paragraph 8.3, the Contractor shall continue to provide all of the services set forth in this Contract.

8.4 CHANGES AND AMENDMENTS

8.4.1 For any change which affects the scope of work or payments under this Contract, an Amendment shall be prepared and executed by the Contractor and by the Director, ISD, or designee, except as otherwise specifically provided herein.

8.4.2 The County's Board of Supervisors or Chief Administrative Officer or designee may unilaterally require the addition and/or change of certain terms and conditions (not affecting the scope of work or payments) in the Contract during the term of this Contract. The County reserves the right to add

and/or change such provisions as required by the County's Board of Supervisors or Chief Administrative Officer. To implement such changes, a letter shall be prepared and signed by County's Director of ISD or designee and delivered to Contractor's Project Director.

- 8.4.3 The Director, ISD, or designee, may at his/her sole discretion, unilaterally authorize extensions of time as defined in Paragraph 4.0 - Term of Contract. The Contractor agrees that such extensions of time shall not change any other term or condition of this Contract during the period of such extensions. To implement an extension of time, a letter shall be prepared and signed by County's Director of ISD or designee and delivered to Contractor's Project Director.

8.5 COMPLAINTS

The Contractor shall develop, maintain and operate procedures for receiving, investigating and responding to complaints.

- 8.5.1 Within thirty (30) business days after Contract execution, the Contractor shall provide the County with the Contractor's written policy for receiving, investigating and responding to customer complaints.
- 8.5.2 The County will review the Contractor's policy and provide the Contractor with approval of said plan or with requested changes.
- 8.5.3 If the County requests changes in the Contractor's policy, the Contractor shall make such changes and resubmit the plan within five (5) business days of receipt of said County request for County approval.
- 8.5.4 If, at any time, the Contractor wishes to change the Contractor's policy, the Contractor shall submit proposed changes to the County for approval before implementation.

- 8.5.5 The Contractor shall preliminarily investigate all complaints and notify the County's Project Manager of the status of the investigation within five (5) business days of receiving the complaint.
- 8.5.6 When complaints cannot be resolved informally, Contractor shall institute a system of follow-through which adheres to formal plans for specific actions and strict time deadlines.
- 8.5.7 Copies of all written responses to complaints shall be sent to the County's Project Manager within three (3) business days of mailing to the complainant.

8.6 COMPLIANCE WITH APPLICABLE LAW

- 8.6.1 The Contractor shall comply with all applicable Federal, State, and local laws, rules, regulations, ordinances, and directives, and all provisions required thereby to be included in this Contract are hereby incorporated herein by reference.
- 8.6.2 The Contractor shall indemnify and hold harmless the County and its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees, arising from or related to any violation on the part of the Contractor or its employees, agents, or subcontractors of any such laws, rules, regulations, ordinances, or directives.

8.7 COMPLIANCE WITH CIVIL RIGHTS LAWS

The Contractor hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000 (e) (1) through 2000 (e) (17), to the end that no person shall, on the grounds of race, creed, color, sex, religion, ancestry, age, condition of physical handicap, marital status, political affiliation, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this

Contract. The Contractor shall comply with Exhibit D - Contractor's EEO Certification.

8.8 COMPLIANCE WITH THE COUNTY'S JURY SERVICE PROGRAM

8.8.1 Jury Service Program:

This Contract is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code, a copy of which is attached as Exhibit H and incorporated by reference into and made a part of this Contract.

8.8.2 Written Employee Jury Service Policy.

1. Unless the Contractor has demonstrated to the County's satisfaction either that the Contractor is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that the Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), the Contractor shall have and adhere to a written policy that provides that its Employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.
2. For purposes of this Sub-paragraph, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County Contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or

subcontracts. "Employee" means any California resident who is a full-time employee of the Contractor. "Full-time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If the Contractor uses any Subcontractor to perform services for the County under the Contract, the Subcontractor shall also be subject to the provisions of this Sub-paragraph. The provisions of this Sub-paragraph shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

3. If the Contractor is not required to comply with the Jury Service Program when the Contract commences, the Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and the Contractor shall immediately notify the County if the Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if the Contractor no longer qualifies for an exception to the Jury Service Program. In either event, the Contractor shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Contract and at its sole discretion, that the Contractor demonstrate to the County's satisfaction that the Contractor either continues to remain outside of the

Jury Service Program's definition of "Contractor" and/or that the Contractor continues to qualify for an exception to the Program.

4. Contractor's violation of this Sub-paragraph of the Contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract and/or bar the Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

8.9 CONFLICT OF INTEREST

- 8.9.1 No County employee whose position with the County enables such employee to influence the award of this Contract or any competing Contract, and no spouse or economic dependent of such employee, shall be employed in any capacity by the Contractor or have any other direct or indirect financial interest in this Contract. No officer or employee of the Contractor who may financially benefit from the performance of work hereunder shall in any way participate in the County's approval, or ongoing evaluation, of such work, or in any way attempt to unlawfully influence the County's approval or ongoing evaluation of such work.
- 8.9.2 The Contractor shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Contract. The Contractor warrants that it is not now aware of any facts that create a conflict of interest. If the Contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to the County. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete

description of all relevant circumstances. Failure to comply with the provisions of this Sub-paragraph shall be a material breach of this Contract.

**8.10 CONSIDERATION OF HIRING COUNTY EMPLOYEES
TARGETED FOR LAYOFF/OR RE-EMPLOYMENT LIST**

Should the Contractor require additional or replacement personnel after the effective date of this Contract to perform the services set forth herein, the Contractor shall give first consideration for such employment openings to qualified, permanent County employees who are targeted for layoff or qualified, former County employees who are on a re-employment list during the life of this Contract.

8.11 CONSIDERATION OF HIRING GAIN/GROW PROGRAM PARTICIPANTS

8.11.1 Should the Contractor require additional or replacement personnel after the effective date of this Contract, the Contractor shall give consideration for any such employment openings to participants in the County's Department of Public Social Services Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the Contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that the Contractor will interview qualified candidates. The County will refer GAIN/GROW participants by job category to the Contractor.

8.11.2 In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, County employees shall be given first priority.

8.12 CONTRACTOR RESPONSIBILITY AND DEBARMENT

8.12.1 Responsible Contractor

A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as

quality, fitness, capacity and experience to satisfactorily perform the contract. It is the County's policy to conduct business only with responsible Contractors.

8.12.2 Chapter 2.202 of the County Code

The Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the Contract, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five years but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing Contracts the Contractor may have with the County.

8.12.3 Non-responsible Contractor

The County may debar a Contractor if the Board of Supervisors finds, in its discretion, that the Contractor has done any of the following: (1) violated a term of a contract with the County or a nonprofit corporation created by the County, (2) committed an act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.

8.12.4 Contractor Hearing Board

1. If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
2. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.
3. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.
4. If a Contractor has been debarred for a period longer than five (5) years, that Contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the

debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the County.

5. The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the Contractor has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.
6. The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the

debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

8.12.5 Subcontractors of Contractor

These terms shall also apply to Subcontractors of County Contractors.

8.13 CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW

The Contractor acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the County's policy to encourage all County Contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster in a prominent position at the Contractor's place of business. The Contractor will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The County's Department of Children and Family Services will supply the Contractor with the poster to be used.

8.14 CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM

8.14.1 The Contractor acknowledges that the County has established a goal of ensuring that all individuals who benefit financially from the County through Contract are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers.

8.14.2 As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting

the Contractor's duty under this Contract to comply with all applicable provisions of law, the Contractor warrants that it is now in compliance and shall during the term of this Contract maintain in compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child, Family or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

8.15 COUNTY'S QUALITY ASSURANCE PLAN

The County or its agent will evaluate the Contractor's performance under this Contract on not less than an annual basis. Such evaluation will include assessing the Contractor's compliance with all Contract terms and conditions and performance standards. Contractor deficiencies which the County determines are severe or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the Board of Supervisors. The report will include improvement/corrective action measures taken by the County and the Contractor. If improvement does not occur consistent with the corrective action measures, the County may terminate this Contract or impose other penalties as specified in this Contract.

8.16 DAMAGE TO COUNTY FACILITIES, BUILDINGS OR GROUNDS

8.16.1 The Contractor shall repair, or cause to be repaired, at its own cost, any and all damage to County facilities, buildings, or grounds caused by the Contractor or employees or agents of the Contractor. Such repairs shall be made immediately after the Contractor has become aware of such

damage, but in no event later than thirty (30) days after the occurrence.

- 8.16.2 If the Contractor fails to make timely repairs, County may make any necessary repairs. All costs incurred by County, as determined by County, for such repairs shall be repaid by the Contractor by cash payment upon demand.

8.17 EMPLOYMENT ELIGIBILITY VERIFICATION

- 8.17.1 The Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Contract meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. The Contractor shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by Federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, (P.L. 99-603), or as they currently exist and as they may be hereafter amended. The Contractor shall retain all such documentation for all covered employees for the period prescribed by law.
- 8.17.2 The Contractor shall indemnify, defend, and hold harmless, the County, and its Special Districts, elected and appointed officers, employees, and agents, from employer sanctions and any other liability which may be assessed against the Contractor or the County or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Contract.

8.18 FACSIMILE REPRESENTATIONS

The County and the Contractor hereby agree to regard facsimile representations of original signatures of authorized officers of each

party, when appearing in appropriate places on the amendments or changes and prepared pursuant to Sub-paragraph 8.4, and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed to amendments or changes and to this Contract, such that the parties need not follow up facsimile transmissions of such documents with subsequent (non-facsimile) transmission of "original" versions of such documents.

8.19 FAIR LABOR STANDARDS

The Contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless the County and its Special Districts, elected and appointed officers, employees, and agents from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for work performed by the Contractor's employees for which the County may be found jointly or solely liable.

8.20 GOVERNING LAW, JURISDICTION, AND VENUE

This Contract shall be governed by, and construed in accordance with, the laws of the State of California, exclusive of conflict of law provisions. The Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Contract and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

8.21 INDEPENDENT CONTRACTOR STATUS

8.21.1 This Contract is by and between the County and the Contractor and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between the County and the Contractor. The employees and agents of

one party shall not be, or be construed to be, employees or agents of the other party for any purpose whatsoever.

8.21.2 The Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Contract all compensation and benefits. The County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of the Contractor.

8.21.3 The Contractor understands and agrees that all persons performing work pursuant to this Contract are, for purposes of Workers' Compensation liability, solely employees of the Contractor and not employees of the County. The Contractor shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of the Contractor pursuant to this Contract.

8.21.4 The Contractor shall adhere to the provisions stated in Subparagraph 7.4 hereof - Confidentiality.

8.22 INDEMNIFICATION

The Contractor shall indemnify, defend and hold harmless the County, its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including without limitation attorney and expert witness fees), arising from or connected with the Contractor's acts and/or omissions arising from and/or relating to this Contract.

8.23 GENERAL INSURANCE REQUIREMENTS

Without limiting the Contractor's indemnification of the County and during the term of this Contract, the Contractor shall provide and

maintain, and shall require all of its Subcontractors to maintain, the following programs of insurance specified in this Contract. Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by the County. Such coverage shall be provided and maintained at the Contractor's own expense.

8.23.1 Evidence of Insurance: Certificate(s) or other evidence of coverage satisfactory to the County shall be delivered to:

ISD Contracting Division
1100 N. Eastern Ave., Room 101
Los Angeles, CA 90063

prior to commencing services under this Contract. Such certificates or other evidence shall:

- Specifically identify this Contract;
- Clearly evidence all coverages required in this Contract;
- Contain the express condition that the County is to be given written notice by mail at least thirty (30) days in advance of cancellation for all policies evidenced on the certificate of insurance;
- Include copies of the additional insured endorsement to the commercial general liability policy, adding the County of Los Angeles, its Special Districts, its officials, officers and employees as insured for all activities arising from this Contract; and
- Identify any deductibles or self-insured retentions for the County's approval. The County retains the right to require the Contractor to reduce or eliminate such deductibles or self-insured retentions as they apply to the County, or, require the Contractor to provide a bond guaranteeing payment of all such retained losses and related costs, including, but not limited to, expenses or fees, or both, related to investigations, claims

administrations, and legal defense. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

8.23.2 Insurer Financial Ratings: Insurance is to be provided by an insurance company acceptable to the County with an A.M. Best rating of not less than A:VII unless otherwise approved by the County.

8.23.3 Failure to Maintain Coverage: Failure by the Contractor to maintain the required insurance, or to provide evidence of insurance coverage acceptable to the County, shall constitute a material breach of the Contract upon which the County may immediately terminate or suspend this Contract. The County, at its sole option, may obtain damages from the Contractor resulting from said breach. Alternatively, the County may purchase such required insurance coverage, and without further notice to the Contractor, the County may deduct from sums due to the Contractor any premium costs advanced by the County for such insurance.

8.23.4 Notification of Incidents, Claims or Suits: Contractor shall report to the County:

- Any accident or incident relating to services performed under this Contract which involves injury or property damage which may result in the filing of a claim or lawsuit against the Contractor and/or the County. Such report shall be made in writing within 24 hours of occurrence.
- Any third party claim or lawsuit filed against the Contractor arising from or related to services performed by the Contractor under this Contract.
- Any injury to a Contractor employee that occurs on County property. This report shall be submitted on a

County "Non-employee Injury Report" to the County's Project Manager.

- Any loss, disappearance, destruction, misuse, or theft of any kind whatsoever of County property, monies or securities entrusted to the Contractor under the terms of this Contract.

8.23.5 Compensation for County Costs: In the event that the Contractor fails to comply with any of the indemnification or insurance requirements of this Contract, and such failure to comply results in any costs to the County, the Contractor shall pay full compensation for all costs incurred by the County.

8.23.6 Insurance Coverage Requirements for Subcontractors: The Contractor shall ensure any and all Subcontractors performing services under this Contract meet the insurance requirements of this Contract by either:

- The Contractor providing evidence of insurance covering the activities of Subcontractors, or
- The Contractor providing evidence submitted by Subcontractors evidencing that Subcontractors maintain the required insurance coverage. The County retains the right to obtain copies of evidence of Subcontractor insurance coverage at any time.

8.24 INSURANCE COVERAGE REQUIREMENTS

8.24.1 Garage Insurance (written on ISO form CA 00 05 or its equivalent) including coverages with limits of not less than the following:

- A. Garage Operations – Liability Other Than Covered Autos:
- | | |
|----------------------------------|-------------|
| General Aggregate: | \$4 million |
| Products/Completed Operations: | \$2 million |
| Personal and Advertising Injury: | \$1 million |

Per Accident: \$2 million

Fire Legal Liability: \$100,000

Such insurance also shall apply to liability arising from or relating to mobile equipment entrusted to Contractor under the terms of this Contract.

B. Garage Operations – Liability for Covered Autos:

Automobile Liability for all Contractor's

"owned", "non-owned" and "hired"

vehicles, or coverage for "any auto": \$1 million
each
accident

C. Garagekeepers Liability:

Coverage shall apply on a Direct Primary basis, and include In Transit, Comprehensive and Collision coverages, with limits not less than \$150,000 per vehicle.

Such insurance also shall apply to mobile equipment entrusted to Contractor under the terms of this Contract, with limits of not less than \$100,000 per piece of equipment.

8.24.2 Workers' Compensation and Employers' Liability

Contractor shall maintain such insurance providing workers' compensation benefits, as required by the Labor Code of the State of California or by any other state, and for which the Contractor is responsible. If the Contractor's employees will be engaged in maritime employment, coverage shall provide workers' compensation benefits as required by the U.S. Longshore and Harbor Workers' Compensation Act, Jones Act or any other federal law for which the Contractor is responsible.

In all cases, the above insurance also shall include Employers' Liability coverage with limits of not less than

the following:

Each Accident:	\$1 million
Disease - policy limit:	\$1 million
Disease - each employee:	\$1 million

8.24.3 Crime Coverage

A commercial Crime Coverage policy, in an amount not less than Five Hundred Thousand Dollars (\$500,000), insuring against loss of money, securities, or other property referred to hereunder which may result from: a) Employee Dishonesty, b) Forgery or Alteration, c) Theft, Disappearance and Destruction, or d) Robbery and Burglary. Such insurance shall include a loss payee endorsement naming the County of Los Angeles as loss payee.

8.24.4 Professional Liability

Insurance covering liability arising from any error, omission, negligent or wrongful act on the Contractor, its officers or employees with limits of not less than \$500,000 per claim and \$1 million aggregate.

8.25 LIQUIDATED DAMAGES

8.25.1 If, in the judgment of the Director of ISD, or designee, the Contractor is deemed to be non-compliant with the terms and obligations assumed hereby, the Director of ISD, or designee, at his/her option, in addition to, or in lieu of, other remedies provided herein, may assess the fee specified in the Performance Requirements Summary (PRS) Chart, Attachment 2, Exhibit A (SOW), of this Contract. Identification of the work not performed and the amount to be assessed against the Contractor by the County, will be forwarded in a written notice describing the reasons for said action to the Contractor by the Director of ISD or designee.

8.25.2 If the Director of ISD or designee determines that there are deficiencies in the performance of this Contract that the County deems are correctable by the Contractor over a certain time span, the Director of ISD, or designee will provide a written notice to the Contractor to correct the deficiency within specified time frames. Should the Contractor fail to correct deficiencies within said time frame, the Director of ISD, or designee may:

(a) Impose liquidated damages. The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the Contractor to correct a deficiency within the specified time frame. The parties hereby agree that under the current circumstances a reasonable estimate of such damages is One Hundred Dollars (\$100) per day per infraction, or as specified in the Performance Requirements Summary (PRS) Chart, as defined in Exhibit A (SOW), Attachment 2, hereunder, and that the Contractor shall be liable to the County for liquidated damages in said amount. Said amount shall be due from the Contractor within six (6) working days of County's written notification or may be deducted and forfeited from any payments to the Contractor from the County, as determined by the County; and/or

(b) Upon giving five (5) days notice to the Contractor for failure to correct the deficiencies, the County may correct any and all deficiencies and the total costs incurred by the County for completion of the work by an alternate source, whether it be County forces or separate private contractor, will be due from the Contractor within six (6) working days of County's written notification or may be deducted and

forfeited from any payments to the Contractor from the County, as determined by the County.

8.25.3 The action described in Sub-paragraph 8.25.2 shall not be construed as a penalty, but as adjustment of payment to the Contractor to recover the County cost due to the failure of the Contractor to complete or comply with the provisions of this Contract.

8.25.4 This Sub-paragraph 8.25 shall not, in any manner, restrict or limit the County's right to damages for any breach of this Contract provided by law or as specified in the PRS or Sub-paragraph 8.25.2, and shall not, in any manner, restrict or limit the County's right to terminate this Contract as agreed to herein.

8.26 MOST FAVORED PUBLIC ENTITY

If the Contractor's prices decline, or should the Contractor at any time during the term of this Contract provide the same goods or services under similar quantity and delivery conditions to the State of California or any county, municipality, or district of the State at prices below those set forth in this Contract, then such lower prices shall be immediately extended to the County.

8.27 NONDISCRIMINATION AND AFFIRMATIVE ACTION

8.27.1 The Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and shall be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.

8.27.2 The Contractor shall certify to, and comply with, the provisions of Exhibit D - Contractor's EEO Certification.

8.27.3 The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated

during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

8.27.4 The Contractor certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, or physical or mental disability, marital status, or political affiliation.

8.27.5 The Contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract.

8.27.6 The Contractor shall allow County representatives access to the Contractor's employment records during regular business hours to verify compliance with the provisions of this Sub-paragraph 8.27 when so requested by the County.

8.27.7 If the County finds that any provisions of this Sub-paragraph 8.27 have been violated, such violation shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract. While

the County reserves the right to determine independently that the anti-discrimination provisions of this Contract have been violated, in addition, a determination by the California Fair Employment Practices Commission or the Federal Equal Employment Opportunity Commission that the Contractor has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by the County that the Contractor has violated the anti-discrimination provisions of this Contract.

8.27.8 The parties agree that in the event the Contractor violates any of the anti-discrimination provisions of this Contract, it will be impracticable or extremely difficult to fix the extent of actual damages resulting from such violation. The parties hereby agree that under such circumstances a reasonable estimate of such damages is Five Hundred Dollars (\$500) per violation and that the County shall, at its sole option, be entitled to said sum for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Contract.

8.28 NON-EXCLUSIVITY

Nothing herein is intended nor shall be construed as creating any exclusive arrangement with the Contractor. This Contract shall not restrict ISD from acquiring similar, equal or like goods and/or services from other entities or sources.

8.29 NOTICE OF DELAYS

Except as otherwise provided under this Contract, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Contract, that party shall, within one (1) day, give notice thereof, including all relevant information with respect thereto, to the other party.

8.30 NOTICE OF DISPUTES

The Contractor shall bring to the attention of the County's Project Manager and/or County's Project Director any dispute between the County and the Contractor regarding the performance of services as stated in this Contract. If the County's Project Manager or County's Project Director is not able to resolve the dispute, the County Director of ISD or designee shall resolve it.

8.31 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT

The Contractor shall notify its employees, and shall require each Subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice No. 1015.

8.32 NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW

The Contractor shall notify and provide to its employees, and shall require each Subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in Exhibit I of this Contract and is also available on the Internet at www.babysafela.org for printing purposes.

8.33 NOTICES

All notices or demands required or permitted to be given or made under this Contract shall be in writing and shall be hand delivered with signed receipt or mailed by first-class registered or certified mail, postage prepaid, addressed to the parties as identified in Exhibits E - County's Administration and F - Contractor's Administration. Addresses may be changed by either party giving ten (10) days' prior written notice thereof to the other party. The County Director of ISD

or designee shall have the authority to issue all notices or demands required or permitted by the County under this Contract.

8.34 PROHIBITION AGAINST INDUCEMENT OR PERSUASION

Notwithstanding the above, the Contractor and the County agree that, during the term of this Contract and for a period of one year thereafter, neither party shall in any way intentionally induce or persuade any employee of one party to become an employee or agent of the other party. No bar exists against any hiring action initiated through a public announcement.

8.35 PUBLIC RECORDS ACT

8.35.1 Any documents submitted by the Contractor; all information obtained in connection with the County's right to audit and inspect the Contractor's documents, books, and accounting records pursuant to Sub-paragraph 8.37 - Record Retention and Inspection/Audit Settlement - of this Contract; as well as those documents which were required to be submitted in response to the Request for Proposals (RFP) used in the solicitation process for this Contract, become the exclusive property of the County. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 et seq. (Public Records Act) and which are marked "trade secret", "confidential", or "proprietary". The County shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

8.35.2 In the event the County is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a proposal marked "trade secret", "confidential", or

“proprietary”, the Contractor agrees to defend and indemnify the County from all costs and expenses, including reasonable attorney’s fees, in action or liability arising under the Public Records Act.

8.36 PUBLICITY

8.36.1 The Contractor shall not disclose any details in connection with this Contract to any person or entity except as may be otherwise provided hereunder or required by law. However, in recognizing the Contractor’s need to identify its services and related clients to sustain itself, the County shall not inhibit the Contractor from publishing its role under this Contract within the following conditions:

- The Contractor shall develop all publicity material in a professional manner; and
- During the term of this Contract, the Contractor shall not, and shall not authorize another to, publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of the County without the prior written consent of the County’s Project Director. The County shall not unreasonably withhold written consent.

8.36.2 The Contractor may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded this Contract with the County of Los Angeles, provided that the requirements of this Sub-paragraph 8.36 shall apply.

8.37 RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT

The Contractor shall maintain accurate and complete financial records of its activities and operations relating to this Contract in accordance with generally accepted accounting principles. The Contractor shall also maintain accurate and complete employment and other records relating to its performance of this Contract. The

Contractor agrees that the County, or its authorized representatives, shall have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or record relating to this Contract. All such material, including, but not limited to, all financial records, bank statements, cancelled checks or other proof of payment, timecards, sign-in/sign-out sheets and other time and employment records, and proprietary data and information, shall be kept and maintained by the Contractor and shall be made available to the County during the term of this Contract and for a period of five (5) years thereafter unless the County's written permission is given to dispose of any such material prior to such time. All such material shall be maintained by the Contractor at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at the County's option, the Contractor shall pay the County for travel, per diem, and other costs incurred by the County to examine, audit, excerpt, copy, or transcribe such material at such other location.

8.37.1 In the event that an audit of the Contractor is conducted specifically regarding this Contract by any Federal or State auditor, or by any auditor or accountant employed by the Contractor or otherwise, then the Contractor shall file a copy of such audit report with the County's Auditor-Controller within thirty (30) days of the Contractor's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Contract. Subject to applicable law, the County shall make a reasonable effort to maintain the confidentiality of such audit report(s).

8.37.2 Failure on the part of the Contractor to comply with any of the provisions of this Sub-paragraph 8.37 shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract.

8.37.3 If, at any time during the term of this Contract or within five (5) years after the expiration or termination of this Contract, representatives of the County conduct an audit of the Contractor regarding the work performed under this Contract, and if such audit finds that the County's dollar liability for any such work is less than payments made by the County to the Contractor, then the difference shall be either: a) repaid by the Contractor to the County by cash payment upon demand or b) at the sole option of the County's Auditor-Controller, deducted from any amounts due to the Contractor from the County, whether under this Contract or otherwise. If such audit finds that the County's dollar liability for such work is more than the payments made by the County to the Contractor, then the difference shall be paid to the Contractor by the County by cash payment, provided that in no event shall the County's maximum obligation for this Contract exceed the funds appropriated by the County for the purpose of this Contract.

8.38 RECYCLED BOND PAPER

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Contractor agrees to use recycled-content paper to the maximum extent possible on this Contract.

8.39 SUBCONTRACTING

8.39.1 The requirements of this Contract may not be subcontracted by the Contractor **without the advance approval of the County**. Any attempt by the Contractor to subcontract without the prior consent of the County may be deemed a material breach of this Contract.

8.39.2 If the Contractor desires to subcontract, the Contractor shall provide the following information promptly at the County's request:

- A description of the work to be performed by the Subcontractor;
 - A draft copy of the proposed subcontract; and
 - Other pertinent information and/or certifications requested by the County.
- 8.39.3 The Contractor shall indemnify and hold the County and its Special Districts, elected and appointed officers, employees, and agents harmless with respect to the activities of each and every Subcontractor in the same manner and to the same degree as if such Subcontractor(s) were the Contractor employees.
- 8.39.4 The Contractor shall remain fully responsible for all performances required of it under this Contract, including those that the Contractor has determined to subcontract, notwithstanding the County's approval of the Contractor's proposed subcontract.
- 8.39.5 The County's consent to subcontract shall not waive the County's right to prior and continuing approval of any and all personnel, including Subcontractor employees, providing services under this Contract. The Contractor is responsible to notify its Subcontractors of this County right.
- 8.39.6 The County's Project Director is authorized to act for and on behalf of the County with respect to approval of any subcontract and Subcontractor employees.
- 8.39.7 The Contractor shall be solely liable and responsible for all payments or other compensation to all Subcontractors and their officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding the County's consent to subcontract.
- 8.39.8 The Contractor shall obtain certificates of insurance, which establish that the Subcontractor maintains all the programs of insurance required by the County from each approved

Subcontractor. The Contractor shall ensure delivery of all such documents to:

Internal Services Department
Contracting Division
1100 N. Eastern Ave., Room 101
Los Angeles, CA 90063

before any Subcontractor employee may perform any work hereunder.

8.40 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM

Failure of the Contractor to maintain compliance with the requirements set forth in Sub-paragraph 8.14 - Contractor's Warranty of Adherence to County's Child Support Compliance Program, shall constitute default under this Contract. Without limiting the rights and remedies available to the County under any other provision of this Contract, failure of the Contractor to cure such default within ninety (90) calendar days of written notice shall be grounds upon which the County may terminate this Contract pursuant to Sub-paragraph 8.42 - Termination for Default - and pursue debarment of the Contractor, pursuant to County Code Chapter 2.202.

8.41 TERMINATION FOR CONVENIENCE

8.41.1 This Contract may be terminated, in whole or in part, from time to time, when such action is deemed by the County, in its sole discretion, to be in its best interest. Termination of work hereunder shall be effected by notice of termination to the Contractor specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than ten (10) days after the notice is sent.

8.41.2 After receipt of a notice of termination and except as

otherwise directed by the County, the Contractor shall:

- Stop work under this Contract on the date and to the extent specified in such notice, and
- Complete performance of such part of the work as shall not have been terminated by such notice.

8.41.3 All material including books, records, documents, or other evidence bearing on the costs and expenses of the Contractor under this Contract shall be maintained by the Contractor in accordance with Sub-paragraph 8.37, Record Retention & Inspection/Audit Settlement.

8.42 TERMINATION FOR DEFAULT

8.42.1 The County may, by written notice to the Contractor, terminate the whole or any part of this Contract, if, in the judgment of County's Project Director:

- Contractor has materially breached this Contract; or
- Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required either under this Contract; or
- Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements under this Contract, or of any obligations of this Contract and in either case, fails to demonstrate convincing progress toward a cure within five (5) working days (or such longer period as the County may authorize in writing) after receipt of written notice from the County specifying such failure.

8.42.2 In the event that the County terminates this Contract in whole or in part as provided in Sub-paragraph 8.42.1, the County may procure, upon such terms and in such manner as the County may deem appropriate, goods and services similar to those so terminated. The Contractor shall be liable to the County for any and all excess costs incurred by

the County, as determined by the County, for such similar goods and services. The Contractor shall continue the performance of this Contract to the extent not terminated under the provisions of this Sub-paragraph.

8.42.3 Except with respect to defaults of any Subcontractor, the Contractor shall not be liable for any such excess costs of the type identified in Sub-paragraph 8.42.2 if its failure to perform this Contract arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not limited to: acts of God or of the public enemy, acts of the County in either its sovereign or contractual capacity, acts of Federal or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of the Contractor. If the failure to perform is caused by the default of a Subcontractor, and if such default arises out of causes beyond the control of both the Contractor and Subcontractor, and without the fault or negligence of either of them, the Contractor shall not be liable for any such excess costs for failure to perform, unless the goods or services to be furnished by the Subcontractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required performance schedule. As used in this Sub-paragraph 8.42.3, the terms "Subcontractor" and "Subcontractors" mean Subcontractor(s) at any tier.

8.42.4 If, after the County has given notice of termination under the provisions of this Sub-paragraph 8.42, it is determined by the County that the Contractor was not in default under the

provisions of this Sub-paragraph 8.42, or that the default was excusable under the provisions of Sub-paragraph 8.42.3, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Sub-paragraph 8.41 hereof - Termination for Convenience.

8.42.5 The rights and remedies of the County provided in this Sub-paragraph 8.42 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.43 TERMINATION FOR IMPROPER CONSIDERATION

8.43.1 The County may, by written notice to the Contractor, immediately terminate the right of the Contractor to proceed under this Contract if it is found that consideration, in any form, was offered or given by the Contractor, either directly or through an intermediary, to any County officer, employee, or agent with the intent of securing this Contract or securing favorable treatment with respect to the award, amendment, or extension of this Contract or the making of any determinations with respect to the Contractor's performance pursuant to this Contract. In the event of such termination, the County shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

8.43.2 The Contractor shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.

8.43.3 Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

8.44 TERMINATION FOR INSOLVENCY

8.44.1 The County may terminate this Contract forthwith in the event of the occurrence of any of the following:

- Insolvency of the Contractor. The Contractor shall be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not the Contractor is insolvent within the meaning of the Federal Bankruptcy Code;
- The filing of a voluntary or involuntary petition regarding the Contractor under the Federal Bankruptcy Code;
- The appointment of a Receiver or Trustee for the Contractor; or
- The execution by the Contractor of a general assignment for the benefit of creditors.

8.44.2 The rights and remedies of the County provided in this Subparagraph 8.44 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.45 TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST ORDINANCE

The Contractor, and each County Lobbyist or County Lobbying firm as defined in County Code Section 2.160.010 retained by the Contractor, shall fully comply with the County's Lobbyist Ordinance, County Code Chapter 2.160. Failure on the part of the Contractor or any County Lobbyist or County Lobbying firm retained by the Contractor to fully comply with the County's Lobbyist Ordinance shall

constitute a material breach of this Contract, upon which the County may in its sole discretion, immediately terminate or suspend this Contract.

8.46 TERMINATION FOR NON-APPROPRIATION OF FUNDS

Notwithstanding any other provision of this Contract, the County shall not be obligated for the Contractor's performance hereunder or by any provision of this Contract during any of the County's future fiscal years unless and until the County's Board of Supervisors appropriates funds for this Contract in the County's Budget for each such future fiscal year. In the event that funds are not appropriated for this Contract, then this Contract shall terminate as of June 30 of the last fiscal year for which funds were appropriated. The County shall notify the Contractor in writing of any such non-allocation of funds at the earliest possible date.

8.47 VALIDITY

If any provision of this Contract or the application thereof to any person or circumstance is held invalid, the remainder of this Contract and the application of such provision to other persons or circumstances shall not be affected thereby.

8.48 WAIVER

No waiver by the County of any breach of any provision of this Contract shall constitute a waiver of any other breach or of such provision. Failure of the County to enforce at any time, or from time to time, any provision of this Contract shall not be construed as a waiver thereof. The rights and remedies set forth in this Subparagraph 8.48 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.49 WARRANTY AGAINST CONTINGENT FEES

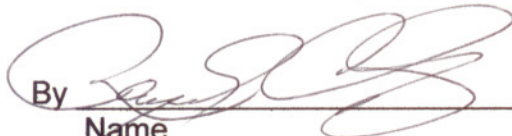
8.49.1 The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this Contract upon any Contract or understanding for a commission, percentage, brokerage, or contingent fee,


excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business.

- 8.49.2 For breach of this warranty, the County shall have the right to terminate this Contract and, at its sole discretion, deduct from the Contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

IN WITNESS WHEREOF, Contractor has executed this Contract, or caused it to be duly executed and the County of Los Angeles, by order of its Board of Supervisors has caused this Contract to be executed on its behalf by the Mayor of said Board and attested by the Executive Officer-Clerk of the Board of Supervisors thereof, the day and year first above written.

CONTRACTOR: CHP Enterprises, Inc. d.b.a
Ken Porter Auctions

By 
Name
PRESIDENT
Title

By 
Name
V-P
Title

COUNTY OF LOS ANGELES

By _____
Mayor, Board of Supervisors

ATTEST:

SACHI HAMAI
Executive Officer-Clerk
of the Board of Supervisors

By _____

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By 
Deputy

STATEMENT OF WORK (SOW)

FOR

**VEHICLE AND VEHICLE RELATED EQUIPMENT
AUCTION SERVICES**

STATEMENT OF WORK

TABLE OF CONTENTS

SECTION	TITLE	PAGE
1.0	GENERAL REQUIREMENTS.....	1
2.0	COUNTY RESPONSIBILITY	1
3.0	CONTRACTOR RESPONSIBILITY	1
4.0	CONTRACTOR'S FACILITY	2
5.0	TRANSPORT TO CONTRACTOR FACILITIES	3
6.0	PRE-AUCTION PREPARATION	3
7.0	DAY OF AUCTION	6
8.0	POST AUCTION.....	7
9.0	PERFORMANCE REQUIREMENTS SUMMARY	8
	ATTACHMENT 1 – CONTRACT DISCREPANCY REPORT	11
	ATTACHMENT 2 – PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART	12

STATEMENT OF WORK

1.0 GENERAL REQUIREMENTS

- 1.1 Contractor shall provide all personnel, advertising and services required for conducting public auctions at Contractor's facilities for County's surplus vehicles and vehicle related equipment.
- 1.2 The intent is to maximize the return of funds to County through public sales of surplus passenger cars, trucks, trailers, construction equipment, and other automotive vehicles and vehicle related equipment.

2.0 COUNTY RESPONSIBILITY

- 2.1 The CPM or applicable DSVF reserves the right, upon written or verbal notice to Contractor, to transport surplus vehicles/vehicle related equipment to Contractor's facility which shall be open to accept such items 8:00 a.m. through 5:00 p.m., Monday through Friday.
- 2.2 The CPM or applicable DSVF reserves the right to remove any vehicle and/or vehicle related equipment scheduled to be sold from the auction sale and from Contractor's facility any time prior to actual sale. If said vehicle and/or vehicle related equipment is removed from the auction facility, Contractor will be reimbursed for actual cost incurred in transportation of said vehicle and/or vehicle related equipment to/from Contractor's facility. Such cost shall be deducted from County's Net Sales Proceeds.
- 2.3 The CPM or applicable DSVF will provide Contractor with an inventory list of all vehicles and vehicle related equipment with vehicle identification number planned to be offered at an auction ten (10) calendar days prior to the date of such auction. However, additions to such list may be made up to five (5) calendar days prior to the date of the auction and deletions made up to the time of actual sale.
- 2.4 County may, at any time, establish the minimum acceptable price (MAP) for any vehicle or vehicle related equipment to be offered for sale by auction. Contractor shall make no sale below any set MAP.

3.0 CONTRACTOR RESPONSIBILITY

- 3.1 Contractor's Office Staff
 - 3.1.1 Contractor shall maintain an office with a telephone in the firm name by which Contractor conducts business. The office shall be staffed during the business hours of 8:00 a.m. – 5:00 p.m. Monday through Friday, by at least one employee who can respond to inquiries and complaints, which may be received about Contractor's performance of the Contract work.

3.2 Project Manager

- 3.2.1 Emergency response (a phone call or arrival on-site) by Contractor's Project Manager shall be within two (2) hours of notification by County, or as specified.

3.3 Frequency of Auctions

- 3.3.1 Contractor shall conduct at least two (2) vehicle and vehicle related equipment auctions per month.

4.0 CONTRACTOR'S FACILITY

- 4.1 Contractor shall provide auction space for a minimum of two hundred (200) County vehicles at each auction and additional inside secured storage for at least five (5) vehicles and pieces of vehicle related equipment.
- 4.2 Contractor shall provide at least 15 storage spaces for County's large trucks and oversize vehicle related equipment.
- 4.3 Contractor shall provide storage space at Contractor's facility at no cost to County until vehicles and/or vehicle related equipment is sold and picked up by buyer. Contractor may dispose of vehicles and/or vehicle related equipment not sold through public auction by other means upon mutual written agreement with the CPM or applicable DSVIC.
- 4.4 Contractor shall have an auction facility in or within a 20-mile radius of the geographical boundaries of Los Angeles County. Contractor shall conduct vehicle and vehicle related equipment auctions at the same facility. Auction facility shall be available for inspection by County personnel. Contractor's facilities shall have sufficient parking and on-site restroom facilities to accommodate customers. Such facilities available to the public shall comply with the provisions of the Americans with Disabilities Act.
- 4.5 All County vehicles and/or vehicle related equipment in a given auction shall be displayed and sold at the same facility. Contractor shall provide access at any time to authorized County employees to the secured storage area and to Contractor's auctions to monitor and record bid prices. Contractor shall be responsible for providing for the security of all vehicles, vehicle related equipment, and money.
- 4.6 Contractor may not store vehicles and/or vehicle related equipment at a location(s) other than Contractor's facility.

5.0 TRANSPORT TO CONTRACTOR FACILITIES

- 5.1 Contractor shall be responsible for the safe transportation and the secure storage of all County vehicles and vehicle related equipment released for auction. Contractor shall pick up vehicles and/or vehicle related equipment within three (3) working days after initial notification by County and sign a receipt for all vehicles and/or vehicle related equipment released to Contractor. Upon notification by authorized County representatives, Contractor shall have County vehicles and/or vehicle related equipment scheduled to be sold transported to Contractor's facility within three (3) business days of County's request therefor. Contractor shall notify the CPM or applicable DSVC the day before scheduled pickup.
- 5.2 In the event a vehicle and/or vehicle related equipment is lost, stolen, or damaged while being transported by Contractor to Contractor's site, the Contractor shall pay County for the appraised value or Minimum Acceptable Price of the vehicle and/or vehicle related equipment, whichever is higher. Such payment shall be made to County within thirty (30) days of the loss.
- 5.3 County shall estimate the value of any items, other than vehicles and/or vehicle related equipment, that are lost, stolen or damaged while being transported by Contractor to Contractor's site. Contractor shall make payment to County pursuant to this paragraph 5.3 within thirty (30) days of notice by County of the final estimated cost.

6.0 PRE-AUCTION PREPARATION

- 6.1 Contractor shall have a computer terminal that is connected to the Department of Motor Vehicles (DMV) database with access to check registration, Vehicle Identification Number (VIN), and provide DMV title search, as required.
- 6.2 Contractor shall repair, at its sole cost, County vehicle and/or vehicle related equipment damaged by Contractor employees or subcontractor's employees while in Contractor's possession. The replacement or repair shall be within the time frame specified by County. All replacements or repairs shall be approved by the CPM or applicable DSVC. In the event of a dispute on replacements or repairs between the DSVC and Contractor, the matter shall be referred to the CPM or designee. If the dispute is referred to the CPM or designee, the CPM or designee shall be the final authority as to whether the vehicle or vehicle related equipment is replaced or repaired under this Paragraph 6.2. If CPM or designee determines Contractor has failed to properly replace or repair damaged vehicles and/or vehicle related equipment, County will invoice Contractor for all damages incurred as determined by County.
- 6.3 Contractor shall provide safety inspections pursuant to the California Vehicle Code. Contractor shall notify in writing the CPM or applicable DSVC if a vehicle does not pass the safety inspection. Contractor shall provide the CPM or applicable DSVC with a copy of safety inspection results and an estimated cost of repair in order for the

vehicle to pass safety inspections. The CPM or applicable DSVC, may at his/her option, have Contractor repair the vehicle or authorize the sale of vehicle with a Bill of Sale and without a title.

- 6.4 Contractor shall provide smog certificates or other certifications required by federal, state or local laws, rules, regulations and ordinances. Contractor shall notify in writing the CPM or applicable DSVC if a vehicle does not pass the smog test. Contractor shall provide the CPM or applicable DSVC with copy of smog check results and an estimated cost of repair in order for the vehicle to pass the smog test. The CPM or applicable DSVC, may at his/her option, have Contractor repair the vehicle or authorize the sale of vehicle with a Bill of Sale and without a title.
- 6.5 CPM or applicable DSVC will review and approve/disapprove repair work or replacement parts requested by the County. Contractor shall provide to CPM or applicable DSVC a written estimate and justification of repairs or replacement parts. Justification for repairs may include the ability to pass smog inspection, correcting a no start condition, having a flat tire, etc. Contractor's written estimate shall be sent via email, fax, or hand delivered. Contractor shall be notified and paid only for the tasks, goods, and services, approved in writing by the County. If the County does not approve work in writing no payment shall be due to the Contractor for that work.
- 6.6 If the CPM or applicable DSVC request repair to vehicle, repairs shall be at the hourly rates as specified in Exhibit B, Pricing Schedule, of the Contract. Contractor's mechanical repair labor rate billed to County shall not exceed the Motor Parts and Time Guide allowance issued by MOTOR Information Systems. Replacement parts, if applicable, shall be billed at Contractor's retail price plus percentage indicated in Exhibit B, Pricing Schedule of the Contract. Repair work or replacement parts, if requested by County, shall meet or exceed Original Equipment Manufacturers (OEM) specifications. Repair work, if requested, shall be completed within three (3) working days of County's request unless additional time is approved by the CPM or applicable DSVC.
- 6.7 All repair work shall be reviewed and approved/disapproved by the CPM or applicable DSVC; however in the event of a dispute over repairs and/or replacement parts, the matter shall be referred to the CPM or designee if the dispute cannot be settled between the applicable DSVC and Contractor. If the dispute is referred to the CPM or designee, the CPM or designee shall be the authority as to correctness or incorrectness of repairs under this Paragraph 6.7. If CPM determines Contractor has failed to properly repair vehicle, County may have a third party repair such vehicle and invoice Contractor for all actual cost incurred by County. In the event that the dispute cannot be settled between the CPM and Contractor over repair and/or replacement parts, the matter shall be referred to the ISD General Manager, Purchasing and Contract Services. The ISD General Manager, Purchasing and Contract Services, will be the final authority as to correctness or incorrectness of repairs under this Paragraph 6.7.

- 6.8 County vehicles that do not pass the smog test, which had problems identified during the safety inspection and were not repaired; are considered wrecked, salvaged, or rebuilt and are to be sold "AS IS" with a bill of sale and without a title shall be sold to a licensed dismantler only, or sale of such vehicle to a dealer with prior approval from CPM or applicable DSVC. Contractor shall clearly label and identify such vehicles with signs in the windows. Contractor shall advise bidders of the above condition prior to accepting bids.
- 6.9 Contractor shall turn in any found articles within five (5) business days to the CPM or applicable DSVC and provide to CPM or applicable DSVC a written report of such item found and returned to County.
- 6.10 Contractor shall conduct a marketing campaign prior to each auction including catalogues and/or brochures, newspaper advertising, mailings and other appropriate media notifications. Contractor shall prepare a catalog or brochure of the item(s) to be sold. Catalog shall include description of vehicle or vehicle related equipment, minimum acceptable price (if applicable), and make, year and model description. Contractor shall include in each advertisement or announcement of the auction that items are sold "AS IS" to licensed dismantler only and/or other language advising all potential buyers that there are no express or implied warranties connected with the items being sold. Contractor shall bear all expenses as the result of the failure to so advise all buyers.
- 6.11 Contractor shall provide at least a five (5) business day public notice of auction, which includes a two (2) business day public inspection period immediately prior to the date of auction and a two (2) hour inspection period the morning of auction prior to the public sale. Contractor's facility shall be open a minimum of sixteen (16) hours during said public inspection periods. Contractor shall provide sufficient staff to assist potential buyers during the auction inspection period.
- 6.12 Contractor shall provide to CPM or applicable DSVC an electronic or hard copy of the list of vehicles and/or vehicle related equipment to be auctioned five (5) business days before the auction day. The vehicle or vehicle related equipment is to be identified by the year, make, model, VIN, county identification number and organizational code.
- 6.13 Contractor, at County's discretion, may be required to prepare vehicles and/or vehicle related equipment for auction. The preparation may include, but not be limited to, the following incidental services: (1) remove decals, bumper stickers, or any other letterings of Los Angeles County as necessary and repaint that area of the vehicle and/or vehicle related equipment so there is no identifiable markings; (2) remove light bars from vehicles and/or vehicle related equipment as instructed by County; (3) replace batteries in vehicles; and, (4) make mechanical repairs, as needed. The cost for such items shall be set forth in Exhibit B, Pricing Schedule, of the Contract. The

County may request other services than those listed herein. Prices for any such services shall be mutually agreed upon between County and Contractor.

- 6.14 Contractor shall remove any and all license plates and light bars from County vehicles and vehicle related equipment prior to auction and hand deliver them to the CPM or applicable DSVC within ten (10) days from the sale date. Removal of license plates and light bars shall be logged and tracked by Contractor and Contractor shall provide such report to CPM or applicable DSVC with the return of such items.
- 6.15 Contractor shall comply with the following process and procedures for removing light bars
1. To remove the light the cable will be cut at (next to) the 12 pin connector to remove the connector only, the full length of the cable will be retained with the light bar.
 2. The light bar will be unbolted to remove the light bar from the vehicle.
 3. All nuts, bolts, washers, etc. will be saved and kept with the light bar after removal.
 4. The cable will then be fed/pulled back through the hole in the roof as not to damage the cable in any way.

7.0 DAY OF AUCTION

- 7.1 Contractor shall use its knowledge, expertise, experience, advertising and good marketing practices in grouping and exhibiting County vehicles and vehicle related equipment in order to obtain maximum sales price to County. The CPM or applicable DSVC also reserves the right to request Contractor place its vehicles and/or vehicle related equipment in a more appropriate place during the auction sale. Upon mutual agreement with County, Contractor may include vehicles and vehicle related equipment owned by other agencies or companies when auctioning County vehicles and/or vehicle related equipment as long as such vehicles and/or equipment can be readily separated and identified as other than County-owned vehicle related equipment.
- 7.2 Contractor shall video tape or digitally record the entire auction sale and deliver to the CPM or applicable DSVC a videotape or DVD of said auction within six (6) business days of the close of such auction.
- 7.3 Contractor shall provide appropriate security.
- 7.4 Contractor shall not auction any items containing County license plates, light bars, and seals or identification markings. Contractor shall notify the CPM or applicable DSVC in writing within three (3) business days if such items are delivered to Contractor.

- 7.5 Contractor shall abide by requirements of California Civil Code 1812.607 for posting of signs with proper statutes, regulations, etc., including announcing that Contractor or its agent may bid on respective auction items.
- 7.6 Contractor shall post or distribute to the audience the terms and conditions, restrictions, and procedures whereby goods will be sold at the auction. Contractor shall advise the bidder of known defective conditions of any vehicle and/or vehicle related equipment offered for sale before offering the vehicle and/or vehicle related equipment for auction.
- 7.7 Subject to the conditions specified in this Contract, Contractor shall endeavor to secure the highest price for each item offered for sale.
- 7.8 Contractor shall provide a mechanic during auction for repair of minor breakdowns such as weak batteries and minor sabotage by customers, at no additional cost to County.

8.0 POST AUCTION

- 8.1 Contractor shall furnish the successful bidder at the point of sale with the following items, as applicable:
 - a. Bill of Sale
 - b. Title (Pink Slip)
 - c. Smog Certificate
 - d. Safety Inspection
 - e. A Certified Weight Slip
- 8.2 Contractor must complete transfer of title if a vehicle/vehicle related is sold to a private party, unless such party "Demand Title". "Demand Title" allows the buyer to demand title (pink slip) on the day of the auction and transfers the responsibility of registering title of the vehicle/vehicle related equipment with DMV to the buyer. If such a "Demand Title" request is made, Contractor shall obtain, and provide to County the information specified in Paragraph 8.4 below and "Demand Title" certification signed and dated by the purchaser.
- 8.3 If sale to private party without a "Demand Title" occurs, Contractor must transfer title prior to vehicle release and submit appropriate paperwork to DMV within thirty (30) days. Contractor shall provide on behalf of the buyer the services necessary to register, license or transfer title of vehicles and/or vehicle related equipment to buyer.
- 8.4 In accordance with paragraph 5.5 of the Contract, Payment to County, after each auction in which County vehicles and/or vehicle related equipment were sold, Contractor shall forward to the CPM or designee the following:

- A. The catalog or brochure that contains the vehicles and/or vehicle related equipment for the respective auction.
- B. A videotape or DVD of the entire auction.
- C. Summary of all sales transactions by VIN, county vehicle and fund organization numbers including gross and net sales by County department.

An accounting of the sale including, but not limited to each purchaser's information, either a hard copy or electronic (Excel - comma delimited) format. Each purchaser's information must include the following:

- Name
 - Address, City, State, Zip Code
 - Phone number
 - If dealer or dismantler, its license number
 - If private party, his/her driver's license number and State of issuance
 - Vehicle purchased (including Vehicle Identification Number)
 - Cost of vehicle purchased
- 8.5 Contractor shall provide to County within six (6) working days of close of each auction a list of all unsold vehicles/vehicle related equipment. Contractor shall receive specific directions from the CPM or applicable DSVC with respect to such items. Such unsold vehicles and vehicle related equipment may be: (1) picked up by County; (2) held by Contractor in a safe and fully secured location until the next auction/sale at no expense to County; (3) returned to County location as specified by the CPM or applicable DSVC; or (4) discarded in accordance with Paragraph 4.3 of this SOW.

9.0 PERFORMANCE REQUIREMENTS SUMMARY

- 9.1 All listings of services used in the Performance Requirements Summary (PRS) are intended to be completely consistent with the Contract and the SOW, and are not meant in any case to create, extend, revise, or expand any obligation of Contractor beyond that defined in the Contract and the SOW. In any case of apparent inconsistency between services as stated in the Contract and the SOW and this PRS, the meaning apparent in the Contract and the SOW will prevail. If any service seems to be created in this PRS which is not clearly and forthrightly set forth in the Contract and the SOW, that apparent service will be null and void and place no additional requirement on Contractor.
- 9.2 As indicated in the Performance Requirements Summary (PRS) Chart attached hereto, a Contract Discrepancy Report (CDR) will be issued by the CPM or applicable DSVC to Contractor as a means to correct all deficiencies and to preclude a recurrence. For continued same-incident occurrences, the CPM will demand payment by Contractor in accordance with the assessment fee outlined in the Performance Requirements Summary (PRS) Chart.
- 9.3 Unacceptable Performance / Contract Discrepancy Report (Attachment 1 hereto)

- A. Performance of a listed service is considered acceptable when Contractor performs the tasks specified in the SOW.
1. Verbal notification to Contractor of unacceptable performance will be made by the CPM or applicable DSVC as soon as possible whenever a Contract discrepancy is identified. The problem shall be resolved within a time period established by the CPM or applicable DSVC.
 2. Contractor must correct the problem within the time frame directed by the CPM or applicable DSVC.
 3. The CPM or applicable DSVC will perform a follow-up inspection and will evaluate Contractor's corrective action.
 4. If the problem has not been corrected, the CPM or applicable DSVC will prepare a Contract Discrepancy Report (CDR) with a deadline for completion. Failure to respond to CDR may result in an assessment for non-compliance as set forth in sub-paragraph 9.2 of the SOW and the Performance Requirements Summary (PRS) Chart.
 5. The CPM or applicable DSVC determines assessments, if any. An assessment letter will be sent to the Contractor.
- 9.4 When the Contractor's performance does not conform to the requirements of the Contract, the County will have the option to apply the following non-performance remedies:
- A. Require Contractor to implement a formal corrective action plan, subject to approval by the County. In the plan, the Contractor must include reasons for the unacceptable performance, specific steps to return performance to an acceptable level, and monitoring methods to prevent recurrence.
 - B. Demand payment by Contractor to County based on the assessment fee(s) set forth in the PRS.
 - C. Reduce, suspend or cancel the Contract for systematic, deliberate misrepresentations or unacceptable levels of performance.
- 9.5 This section does not preclude the County's right to terminate the Contract upon ten (10) days written notice as provided for in the Contract.
- 9.6 County Observation
- In addition to departmental contracting staff, other County personnel may observe performance, activities, and review documents relevant to the Contract at any time during

normal business hours. However, these personnel may not unreasonably interfere with the Contractor's performance.

ATTACHMENT 1

CONTRACT DISCREPANCY REPORT (Sample)

Auction Location: _____

1. USER COMPLAINT to be completed by Departmental Surplus Vehicle Coordinator (DSVC)

Today's Date: _____ Contractor: _____

Phone Number: _____

DSVC Name: _____ Department: _____

Signed: _____

Date of Unacceptable Performance: _____

Description of Unacceptable Performance:

2. REVIEWED:

Signed: _____ Date: _____
CPM

3. CONTRACTOR RESPONSE (to be completed by Contractor's Project Manager)

Date received from CPM: _____

Explanation for Unacceptable Performance: _____

Corrective Action Taken: _____

Signed: _____ Date: _____
Contractor's Project Manager

4. INSTRUCTIONS

DSVC: Fax report to CPM at (323) 262-4941. CPM will forward CDR to Contractor.

Contractor: Must respond to CPM in writing within five (5) working days of receipt of CDR.

ATTACHMENT 2

PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART

REFERENCE/ REQUIRED SERVICE	STANDARD OF PERFORMANCE	MONITORING METHOD	DEDUCTIONS/FEEES TO BE ASSESSED
Contract: Paragraph 5.0 – Payment Arrangements and Reimbursement: - Accurate and timely payment to County	Net settlement from auction sales will be payable to County within six (6) working days of close of each auction. Register, license, and transfer title to buyer accurately and timely.	Verify date of receipt of check; and audit Contractor's records	\$100 per each day late for the first thirty (30) days and \$250 for each day thereafter
SOW: Sub-Paragraph 2.4 - Offer County items for sale at appraised value or minimum acceptable price	Auctioned items may not be sold for less than appraised value or minimum acceptable price.	Review county auction inventory report and buyers receipt of sales	\$50 per occurrence and Contractor shall reimburse County for difference between sale dollars and appraised value
SOW: Sub-Paragraph 5.1 - Timely pick-up and safely transport vehicles and vehicle related equipment	Pick-up within three (3) days of request and safely transport vehicles and vehicle related equipment from any location within Los Angeles County and delivery to Contractor's site with no damage.	Review logs	\$100 per occurrence
SOW: Sub-Paragraph 6.10 - Accurately describe vehicle and vehicle related equipment	Prepare catalog or brochure and list minimum acceptable price, make, year and model description of vehicle or vehicle related equipment.	Review catalog or brochure	\$50 per occurrence
SOW: Sub-Paragraph 6.11 - Public inspection of items for sale	Provide a minimum two (2) day public inspection of items for sale immediately prior to auction. Provide two (2) hour inspection on	Monitor public inspection	\$50 per occurrence

REFERENCE/ REQUIRED SERVICE	STANDARD OF PERFORMANCE	MONITORING METHOD	DEDUCTIONS/FEEES TO BE ASSESSED
	day of auction.		
SOW: Sub-Paragraph 7.2 - Record and provide video tape or DVD	Tape the entire sale and submit tape or DVD to CPM with Net Sales Proceeds check.	Receipt and review of tape	\$50 per day late
SOW: Sub-Paragraph 8.5 - Provide a list of unsold vehicles/ vehicle related equipment	Forward Net Sales Proceeds from buyers at auction sales and provide county with list of all sold and unsold items.	Review list of sold and unsold items	\$50 per occurrence

PRICING SCHEDULE

PROPOSER WILL RETAIN THE FOLLOWING PRICES

1. Incidental Services:	Fixed Unit Price
A. Remove decals, bumper stickers, any identifiers of Los Angeles County, and paint over the area	<u>No charge</u>
B. Remove light bar	<u>No charge</u>
C. Replace battery (including parts and labor)	<u>\$32.50 per battery</u>
	Labor Rate Per Hour
2. A. Mechanical repairs	<u>\$47.50</u>
	Parts Mark-Up (from retail price) Percentage
B. Replacement parts associated with mechanical repairs	<u>Contractor's Cost, plus 10%</u>
3. Other cost pre-approved by County	<u>At cost</u>

(Intentionally Omitted)

CONTRACTOR'S EEO CERTIFICATION


C.H.P. ENTERPRISES d.b.a. KEN PORTER AUCTIONS
 Contractor Name
12580 SATICOY STREET, NORTH HOLLYWOOD, CA 91605
 Address
95.3056976
 Internal Revenue Service Employer Identification Number

GENERAL CERTIFICATION

In accordance with Section 4.32.010 of the Code of the County of Los Angeles, the contractor, supplier, or vendor certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

CONTRACTOR'S SPECIFIC CERTIFICATIONS

1. The Contractor has a written policy statement prohibiting discrimination in all phases of employment. Yes ☒ No ☐
2. The Contractor periodically conducts a self analysis or utilization analysis of its work force. Yes ☒ No ☐
3. The Contractor has a system for determining if its employment practices are discriminatory against protected groups. Yes ☒ No ☐
4. Where problem areas are identified in employment practices, the Contractor has a system for taking reasonable corrective action, to include establishment of goals or timetables. Yes ☒ No ☐

RAYMOND CLARIDGE, PRESIDENT
 Authorized Official's Printed Name and Title

 Authorized Official's Signature
 Date 07/20/2006

COUNTY'S ADMINISTRATION

CONTRACT NO. _____

COUNTY PROJECT DIRECTOR:

Name: Marie Nunez
Title: Contracts Administration Division Manager
Address: 1100 N. Eastern Avenue
Los Angeles, CA 90063
Telephone: (323) 267-2492
Facsimile: (323) 263-5286
E-Mail Address: mnunez@isd.co.la.ca.us

COUNTY PROJECT MANAGER:

Name: Randy Martin
Title: Fleet Services Manager
Address: 1104 N. Eastern Avenue
Los Angeles, CA 90063
Telephone: (323) 881-3742
Facsimile: (323) 262-4941
E-Mail Address: rmartin@isd.co.la.ca.us

CONTRACTOR'S ADMINISTRATION

CONTRACTOR'S NAME: CHP Enterprises, Inc. d.b.a Ken Porter Auctions

CONTRACT NO: _____

CONTRACTOR'S PROJECT MANAGER: Dale C Van Wagner

Name: Dale C Van Wagner
Title: Marketing Director
Address: 400 E. Redondo Beach Blvd.
Gardena, CA 90248
Telephone: (310) 353-7140 Cell: (818) 201-6573
Facsimile: (310) 353-5740
E-Mail Address: dale@kenporterauctions.com

CONTRACTOR'S AUTHORIZED OFFICIAL(S)

Name: Raymond Claridge
Title: President
Address: 12580 Saticoy Street
North Hollywood, CA 91605
Telephone: (818) 255-0616
Facsimile: (818) 255-0618
E-Mail Address: ray@cinemavehicles.com

Notices to Contractor shall be sent to the following:

Name: Dale C Van Wagner
Title: Marketing Director
Address: 400 E. Redondo Beach Blvd.
Gardena, CA 90248
Telephone: (310) 353-7140 Cell: (818) 201-6573
Facsimile: (310) 353-5740
E-Mail Address: dale@kenporterauctions.com

CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

(Note: This certification is to be executed and returned to County with Contractor's executed Contract. Work cannot begin on the Contract until County receives this executed document.)

CONTRACTOR NAME CHP Enterprises, Inc. d.b.a Ken Porter Auctions Contract No. _____

GENERAL INFORMATION:

The Contractor referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires the Contractor to sign this Contractor Acknowledgement and Confidentiality Agreement.

CONTRACTOR ACKNOWLEDGEMENT:

Contractor understands and agrees that the Contractor employees, consultants, Outsourced Vendors and independent contractors (Contractor's Staff) that will provide services in the above referenced agreement are Contractor's sole responsibility. Contractor understands and agrees that Contractor's Staff must rely exclusively upon Contractor for payment of salary and any and all other benefits payable by virtue of Contractor's Staff's performance of work under the above-referenced contract.

Contractor understands and agrees that Contractor's Staff are not employees of the County of Los Angeles for any purpose whatsoever and that Contractor's Staff do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. Contractor understands and agrees that Contractor's Staff will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

CONFIDENTIALITY AGREEMENT:

Contractor and Contractor's Staff may be involved with work pertaining to services provided by the County of Los Angeles and, if so, Contractor and Contractor's Staff may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, Contractor and Contractor's Staff may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. Contractor and Contractor's Staff understand that if they are involved in County work, the County must ensure that Contractor and Contractor's Staff, will protect the confidentiality of such data and information. Consequently, Contractor must sign this Confidentiality Agreement as a condition of work to be provided by Contractor's Staff for the County.

Contractor and Contractor's Staff hereby agrees that they will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between Contractor and the County of Los Angeles. Contractor and Contractor's Staff agree to forward all requests for the release of any data or information received to County's Project Manager.

Contractor and Contractor's Staff agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information and all other original materials produced, created, or provided to Contractor and Contractor's Staff under the above-referenced contract. Contractor and Contractor's Staff agree to protect these confidential materials against disclosure to other than Contractor or County employees who have a need to know the information. Contractor and Contractor's Staff agree that if proprietary information supplied by other County vendors is provided to Contractor or Contractor's Staff during this employment, Contractor and Contractor's Staff shall keep such information confidential.

Contractor and Contractor's Staff agree to report any and all violations of this agreement by Contractor and Contractor's Staff and/or by any other person of whom Contractor and Contractor's Staff become aware.

Contractor and Contractor's Staff acknowledge that violation of this agreement may subject Contractor and Contractor's Staff to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

SIGNATURE: 

DATE: 07 / 20 / 2006

PRINTED NAME: RAYMOND GARIBAY

POSITION: PRESIDENT

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

2.203.010 Findings.

The board of supervisors makes the following findings. The county of Los Angeles allows its permanent, full-time employees unlimited jury service at their regular pay. Unfortunately, many businesses do not offer or are reducing or even eliminating compensation to employees who serve on juries. This creates a potential financial hardship for employees who do not receive their pay when called to jury service, and those employees often seek to be excused from having to serve. Although changes in the court rules make it more difficult to excuse a potential juror on grounds of financial hardship, potential jurors continue to be excused on this basis, especially from longer trials. This reduces the number of potential jurors and increases the burden on those employers, such as the county of Los Angeles, who pay their permanent, full-time employees while on juror duty. For these reasons, the county of Los Angeles has determined that it is appropriate to require that the businesses with which the county contracts possess reasonable jury service policies.

2.203.020 Definitions.

The following definitions shall be applicable to this chapter:

- A. "Contractor" means a person, partnership, corporation or other entity which has a contract with the county or a subcontract with a county contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more such contracts or subcontracts.
- B. "Employee" means any California resident who is a full-time employee of a contractor under the laws of California.
- C. "Contract" means any agreement to provide goods to, or perform services for or on behalf of, the county but does not include:
 - 1. A contract where the board finds that special circumstances exist that justify a waiver of the requirements of this chapter; or
 - 2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor; or
 - 3. A purchase made through a state or federal contract; or
 - 4. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, or reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section P-3700 or a successor provision; or
 - 5. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, section 4.4.0 or a successor provision; or

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

6. A purchase card pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section P-2810 or a successor provision; or
 7. A non-agreement purchase with a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section A-0300 or a successor provision; or
 8. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section PP-1100 or a successor provision.
- D. "Full time" means 40 hours or more worked per week, or a lesser number of hours if the lesser number is a recognized industry standard as determined by the chief administrative officer or the contractor has a long-standing practice that defines a full-time schedule as less than 40 hours per week.
- E. "County" means the county of Los Angeles or any public entities for which the board of supervisors is the governing body.

2.203.030 Applicability.

This chapter shall apply to contractors who enter into contracts that commence after July 11, 2002. This chapter shall also apply to contractors with existing contracts which are extended into option years that commence after July 11, 2002. Contracts that commence after May 28, 2002, but before July 11, 2002, shall be subject to the provisions of this chapter only if the solicitations for such contracts stated that the chapter would be applicable.

2.203.040 Contractor Jury Service Policy.

A contractor shall have and adhere to a written policy that provides that its employees shall receive from the contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the contractor or that the contractor deduct from the employees' regular pay the fees received for jury service.

2.203.050 Other Provisions.

- A. Administration. The chief administrative officer shall be responsible for the administration of this chapter. The chief administrative officer may, with the advice of county counsel, issue interpretations of the provisions of this chapter and shall issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other county departments.
- B. Compliance Certification. At the time of seeking a contract, a contractor shall certify to the county that it has and adheres to a policy consistent with this chapter or will have and adhere to such a policy prior to award of the contract.

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

2.203.060 Enforcement and Remedies.

For a contractor's violation of any provision of this chapter, the county department head responsible for administering the contract may do one or more of the following:

1. Recommend to the board of supervisors the termination of the contract; and/or,
2. Pursuant to chapter 2.202, seek the debarment of the contractor.

2.203.070. Exceptions.

- A. Other Laws. This chapter shall not be interpreted or applied to any contractor or to any employee in a manner inconsistent with the laws of the United States or California.
- B. Collective Bargaining Agreements. This chapter shall be superseded by a collective bargaining agreement that expressly so provides.
- C. Small Business. This chapter shall not be applied to any contractor that meets all of the following:
 1. Has ten or fewer employees during the contract period; and,
 2. Has annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, are less than \$500,000; and,
 3. Is not an affiliate or subsidiary of a business dominant in its field of operation.

"Dominant in its field of operation" means having more than ten employees and annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, exceed \$500,000.

"Affiliate or subsidiary of a business dominant in its field of operation" means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation.

2.203.090. Severability.

If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect.

SAFELY SURRENDERED BABY LAW

No shame. No blame. No names.

**Newborns can be safely given up
at any Los Angeles County
hospital emergency room or fire station.**



**In Los Angeles County:
1-877-BABY SAFE
1-877-222-9723
www.babysafela.org**



State of California
Gray Davis, Governor

Health and Human Services Agency
Grantland Johnson, Secretary

Department of Social Services
Rita Saenz, Director



Los Angeles County Board of Supervisors
Gloria Molina, Supervisor, First District
Yvonne Brathwaite Burke, Supervisor, Second District
Zev Yaroslavsky, Supervisor, Third District
Don Knabe, Supervisor, Fourth District
Michael D. Antonovich, Supervisor, Fifth District

This initiative is also supported by First 5 LA and INFO LINE of Los Angeles.

What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents to give up their baby confidentially. As long as the baby has not been abused or neglected, parents may give up their newborn without fear of arrest or prosecution.

How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially and safely give up a baby within three days of birth. The baby must be handed to an employee at a Los Angeles County emergency room or fire station. As long as the child shows no signs of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, workers will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent.

What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their newborns within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

Can only a parent bring in the baby?

In most cases, a parent will bring in the baby. The law allows other people to bring in the baby if they have legal custody.

Does the parent have to call before bringing in the baby?

No. A parent can bring in a baby anytime, 24 hours a day, 7 days a week so long as the parent gives the baby to someone who works at the hospital or fire station.

Does a parent have to tell anything to the people taking the baby?

No. However, hospital personnel will ask the parent to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the child. Although encouraged, filling out the questionnaire is not required.

What happens to the baby?

The baby will be examined and given medical treatment, if needed. Then the baby will be placed in a pre-adoptive home.

What happens to the parent?

Once the parent(s) has safely turned over the baby, they are free to go.

Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned by their parents and potentially being hurt or killed. You may have heard tragic stories of babies left in dumpsters or public bathrooms. The parents who committed these acts may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had nowhere to turn for help, they abandoned their infants. Abandoning a baby puts the child in extreme danger. It is also illegal. Too often, it results in the baby's death. Because of the Safely Surrendered Baby Law, this tragedy doesn't ever have to happen in California again.

A baby's story

At 8:30 a.m. on Thursday, July 25, 2002, a healthy newborn baby was brought to St. Bernardine Medical Center in San Bernardino under the provisions of the California Safely Surrendered Baby Law. As the law states, the baby's mother did not have to identify herself. When the baby was brought to the emergency room, he was examined by a pediatrician, who determined that the baby was healthy and doing fine. He was placed with a loving family while the adoption process was started.

Every baby deserves a chance for a healthy life. If someone you know is considering abandoning a newborn, let her know there are other options.

It is best that women seek help to receive proper medical care and counseling while they are pregnant. But at the same time, we want to assure parents who choose not to keep their baby that they will not go to jail if they deliver their babies to safe hands in any Los Angeles County hospital ER or fire station.

Sin pena. Sin culpa. Sin peligro.

**Los recién nacidos pueden ser entregados
en forma segura en la sala de emergencia de
cualquier hospital o en un cuartel de bomberos
del Condado de Los Angeles.**



En el Condado de Los Angeles:

1-877-BABY SAFE

1-877-222-9723

www.babysafela.org



Estado de California
Gray Davis, Gobernador

Agencia de Salud y Servicios Humanos
(Health and Human Services Agency)
Grantland Johnson, Secretario

Departamento de Servicios Sociales
(Department of Social Services)
Rita Saenz, Directora



Consejo de Supervisores del Condado de Los Angeles

Gloria Molina, Supervisora, Primer Distrito

Yvonne Brathwaite Burke, Supervisora, Segundo Distrito

Zev Yaroslavsky, Supervisor, Tercer Distrito

Don Knabe, Supervisor, Cuarto Distrito

Michael D. Antonovich, Supervisor, Quinto Distrito

Esta Iniciativa tambien esta apollada por First 5 LA y INFO LINE de Los Angeles.

¿Qué es la Ley de Entrega de Bebés Sin Peligro?

La Ley de Entrega de Bebés Sin Peligro de California permite a los padres entregar a su recién nacido confidencialmente. Siempre que el bebé no haya sufrido abuso ni negligencia, padres pueden entregar a su recién nacido sin temor a ser arrestados o procesados.

¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura, dentro de los tres días del nacimiento. El bebé debe ser entregado a un empleado de una sala de emergencias o de un cuartel de bomberos del Condado de Los Angeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazalete y el padre/madre recibirá un brazalete igual.

¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden empezar el proceso de redamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Angeles, al 1-800-540-4000.

¿Sólo los padres podrán llevar al recién nacido?

En la mayoría de los casos, los padres son los que llevan al bebé. La ley permite que otras personas lleven al bebé si tienen la custodia legal del menor.

¿Los padres deben llamar antes de llevar al bebé?

No. El padre/madre puede llevar a su bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, mientras que entregue a su bebé a un empleado del hospital o de un cuartel de bomberos.

¿Es necesario que el padre/madre diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital le pedirá que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para los cuidados que recibirá el bebé. Es recomendado llenar este cuestionario, pero no es obligatorio hacerlo.

¿Qué ocurrirá con el bebé?

El bebé será examinado y, de ser necesario, recibirá tratamiento médico. Luego el bebé se entregará a un hogar preadoptivo.

¿Qué pasará con el padre/madre?

Una vez que los padres hayan entregado a su bebé en forma segura, serán libres de irse.

¿Por qué California hace esto?

La finalidad de la Ley de Entrega de Bebés Sin Peligro es proteger a los bebés del abandono por parte de sus padres y de la posibilidad de que mueran o sufran daños. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Es posible que los padres que cometieron estos actos hayan estado atravesando dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus recién nacidos porque tenían miedo y no tenían adonde recurrir para obtener ayuda. El abandono de un recién nacido lo pone en una situación de peligro extremo. Además es ilegal. Muy a menudo el abandono provoca la muerte del bebé. Ahora, gracias a la Ley de Entrega de Bebés Sin Peligro, esta tragedia ya no debe suceder nunca más en California.

Historia de un bebé

A las 8:30 a.m. del jueves 25 de julio de 2002, se entregó un bebé recién nacido saludable en el St. Bernardine Medical Center en San Bernardino, en virtud de las disposiciones de la Ley de Entrega de Bebés Sin Peligro. Como lo establece la ley, la madre del bebé no se tuvo que identificar. Cuando el bebé llegó a la sala de emergencias, un pediatra lo revisó y determinó que el bebé estaba saludable y no tenía problemas. El bebé fue ubicado con una buena familia, mientras se iniciaban los trámites de adopción.

Cada recién nacido merece una
oportunidad de tener una vida saludable.
Si alguien que usted conoce está pensando
en abandonar a un recién nacido, infórmele
qué otras opciones tiene.

Es mejor que las mujeres busquen ayuda para recibir atención médica y asesoramiento adecuado durante el embarazo. Pero al mismo tiempo, queremos asegurarles a los padres que optan por no quedarse con su bebé que no irán a la cárcel si dejan a sus bebés en buenas manos en cualquier sala de emergencia de un hospital o en un cuartel de bomberos del Condado de Los Angeles.